

Message Text

CONFIDENTIAL

PAGE 01 HONG K 10477 200913Z

17

ACTION EA-14

INFO OCT-01 ISO-00 DRC-01 FEA-02 AGR-20 CEA-02 CIAE-00

COME-00 DODE-00 EB-11 FRB-03 H-03 INR-11 INT-08 L-03

LAB-06 NSAE-00 NSC-07 PA-04 RSC-01 AID-20 CIEP-03

SS-20 STR-08 TAR-02 TRSE-00 USIA-15 PRS-01 SP-03

OMB-01 SWF-02 /172 W

----- 086317

R 200833Z SEP 74

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC 2293

INFO USLO PEKING

C O N F I D E N T I A L HONG KONG 10477

E.O. 11652: N/A

TAGS: BTRA, HK, US

SUBJECT: PRC TOUR BY HONG KONG BUSINESSMEN

1. SUPPLEMENTING REFTEL, FOLLOWING ARE MORE SIGNIFICANT
COMMENTS FROM OUR INITIAL DEBRIEFING SESSIONS WITH
RETURNING US BUSINESSMEN, MINICH AND SEARLS.

2. DURING PRIVATE CONVERSATION AT TECHIMPORT, SEARLS WAS TOLD
THAT THE OBSTACLES TO FURTHER TRADE WITH THE US WERE (A)
THE UNFAVORABLE TRADE BALANCE, (B) THE LACK OF EQUALITY IN
TRADE TREATMENT (PROBABLY REFERRING TO MFN AND EXPORT CONTROLS),
AND (C) LACK OF QUOTATIONS. TECHIMPORT OFFICIAL ELABORATED ON
LATTER AS FOLLOWS: ALTHOUGH TECHIMPORT WAS HAVING NO DIFFICULTY IN
GETTING QUOTATIONS ON TECHNOLOGY, MANY US COMPANIES WERE NOT
WILLING TO SUBMIT PRICE QUOTATIONS ON EQUIPMENT. TECHIMPORT'S
GOOD RESULTS WITH MONSANTO AND UNIVERSAL OIL PRODUCTS WERE CITED
AS EXCEPTIONS. TECHIMPORT OFFICIAL ASKED SEARLS FOR HIS INTER-
PRETATION OF THE REASON US COMPANIES USUALLY GAVE FOR LACK OF
QUOTATIONS, NAMELY, "THE ECONOMIC SITUATION IN THE US." SEARLS
TOLD HIM THIS PROBABLY REFERRED TO THE DIFFICULTIES OF
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 HONG K 10477 200913Z

QUOTING PRICES IN INFLATIONARY TIMES ON EQUIPMENT WITH

LONG LEAD-TIME FOR MANUFACTURING AND DELIVERING. SEARLS WAS LEFT WITH THE IMPRESSION THAT OTHER COUNTRIES WERE MORE ABLE AND WILLING TO SUBMIT QUOTATIONS WITH AN INFLATIONARY FACTOR BUILT IN TO THEIR PRICING. AT ANOTHER POINT IN THE CONVERSATION, SEARLS WAS TOLD THAT "WE DON'T REFUSE TO IMPORT TECHNOLOGY TO DEVELOP THE OIL INDUSTRY."

3. MINICH REPORTED THAT CCPIT INFORMED HIM THAT THEY HAD RECOMMENDED AN INVITATION FOR AN AMCHAM OBSERVER AT THE FALL CANTON FAIR.

OBSERVATIONS AND COMMENTS ON PLANT AND OTHER VISITS BY SEARLS AND MINICH AS WELL AS OTHER RETURNING HONG KONG-BASED BUSINESSMEN WILL BE SUBJECT OF SEPARATE REPORTING.

5. IN VIEW PRIVATE NATURE OF HIS TECHIMPORT INTERVIEW, SEARLS HAS SPECIFICALLY REQUESTED THAT WE PROTECT HIS CONVERSATION, NOT JUST THE SOURCE.
CROSS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BUSINESSMEN, TRADE BALANCE, VISITS, DEBRIEFINGS, EXPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 20 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: cunninfx
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974HONGK10477
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: DG ALTERED
Executive Order: GS
Errors: N/A
Film Number: D740264-0676
From: HONG KONG
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740928/aaaaaxum.tel
Line Count: 83
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: cunninfx
Review Comment: n/a
Review Content Flags:
Review Date: 23 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 JUL 2002 by kelleyw0>; APPROVED <10 MAR 2003 by cunninfx>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRC TOUR BY HONG KONG BUSINESSMEN
TAGS: BTRA, ETRD, HK, US, CH, (SEARLS), (MINICH)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005